

CITY OF RIDGECREST REQUEST FOR PROPOSALS

INSTRUCTIONS TO VENDORS

INVITATION TO SUBMIT

PROPOSAL



**Request for Proposal No. 2014-00001**

**Utility Bill Audit Services**

**Pre-proposal Conference: October 30, 2013 – 2:00 P.M.**

**Proposal Receipt Due By: November 21, 2013 11:00 A.M.**

The Council Members of Ridgecrest, CA

Dan Clark, Mayor

Mayor Pro Tem: Marshall Holloway

Council Member: Steve Morgan

Council Member: Jim Sanders

Council Member: Lori Acton

Keith Lemieux, City Attorney

Ridgecrest, CA

**DATE: 10/21/2013** \_\_\_\_\_**RFP NO. 2014-00001****REQUEST FOR PROPOSAL FOR UTILITY BILLING AUDIT SERVICES**

This is an invitation to submit a proposal to supply the City of Ridgecrest with the professional services as indicated herein. Sealed proposals will be received at the Office of the City Clerk, 100 W. California Ave., Ridgecrest, CA 93555 up to **11:00 A.M., November 21, 2013.**

Instructions for preparation and submission of a proposal are contained in the Request for Proposal package. Please note that specific forms for submission of a proposal are required. Proposals must be typed or printed in ink. If you do not submit a proposal, return the signed invitation sheet and state the reason; otherwise, your name may be removed from our bidders list.

**A pre-proposal conference has been scheduled for 2:00 P.M., October 30, 2013** and will be conducted in the **2<sup>nd</sup> Floor, Conference Room, 100 W. California Ave, Ridgecrest, CA 93555**, to discuss the specifications and resolve any questions and/or misunderstandings that may arise.

Any changes to the conditions and specifications must be in the form of a written addendum to be valid; therefore, the Purchasing Agent will issue a written addendum to document approved changes. Generally when addenda are required, the bid opening date may be changed.

The City of Ridgecrest has a local preference procurement policy is the practice of procurement from certain suppliers/contractors because they are also local taxpayers. Local preference is desirable because it stimulates the local economy. All orders/contracts are awarded on the basis of quality, previous performance, ability to meet the contract requirements, availability of service and parts, delivery schedule, and payment terms/discounts.

**CONTACT INFORMATION:** For information concerning procedures for responding to this Solicitation, contact Rachelle McQuiston at (760) 499-5021. Such contact shall be for clarification purposes only. Material change, if any to the scope of services or bidding procedures will be only transmitted by written addendum. It is the proposer's responsibility to check the website to determine if any addenda have been issued.

**QUESTIONS:** All questions must be submitted in writing to the Finance Department, 100 W. California Ave, Ridgecrest, CA 93555, Attn: Rachelle McQuiston. To facilitate prompt receipt of questions, they may be sent via FAX to (760) 499-1520 or email to [rmcquiston@ridgecrest-ca.gov](mailto:rmcquiston@ridgecrest-ca.gov).

**CITY OF RIDGECREST REQUEST FOR PROPOSALS FOR**

**Utility Billing Audit**

Sealed proposals will be received at the City Clerk's office, 100 W. California Ave, Ridgecrest, CA 93555, until November 21, 2013 at 11:00 A.M. for the following services.

The City of Ridgecrest is seeking proposals from firms to conduct an analysis on utility bills to ensure that all electrical, natural gas, and water accounts are correctly billed and error free and the City receives the most advantageous rates available to them in the marketplace. Copies of the Request for Proposal may be obtained at the Finance Office on and after October 21, 2013 between the hours of 9:00 A.M. and 5:00 P.M.

The City of Ridgecrest reserves the right to reject any or all proposals, waive any informalities in the proposal process, or accept the proposal deemed to be in the best interest of the City. An original proposal must be delivered on one (1) CD, along with five (5) additional bound copies in a sealed package, plainly marked "Proposal for Utility Billing Audit" addressed to Rachel Ford, City Clerk, City of Ridgecrest, 100 W. California Ave., Ridgecrest, CA 93555 by November 21, 2013 at 11:00 A.M.

**I. Statement of Purpose**

The City of Ridgecrest requests proposals for Utility Billing Audit Services. This proposal process and award of the contract are made in conformance with Ridgecrest Municipal Code Chapter 2 Article 5. The City of Ridgecrest reserves the right to reject any or all proposals, or any part thereof, or to accept any proposal or any part thereof, or to waive informalities in any proposal, if deemed to be in the best interest of the City. PLEASE SUBMIT PROPOSAL ONE (1) CD AND FIVE (5) SETS to City of Ridgecrest City Clerk, 100 W. California Ave., Ridgecrest, CA 93555.

The City of Ridgecrest reserves the right to reject any or all proposals if it determines that select proposals are not responsive to the RFP or if the proposals themselves are judged not to be in the best interests of the City. Moreover, the City reserves the right to meet with the Respondent at any time to gather additional information. Furthermore, the City reserves the right to delete or add services up until the final contract signing.

Proposer shall provide a proposed schedule for completion of the audit.

## **II. Background**

Ridgecrest is located in the southern portion of the Indian Wells Valley and in the northeast corner of Kern County, surrounded by four mountain ranges; the Sierra Nevada on the west, the Cosos on the north, the Argus Range on the east, and the El Paso Mountains on the south.

It is approximately an hour and quarter from the Lancaster/Palmdale area and approximately two hours from both Bakersfield and San Bernardino. A favorable characteristic of the City is its proximity to two major highways, the 395 and 14. Air travel in and out of the City is provided through the Inyokern Airport. These attributes make Ridgecrest, a central location for shopping and business for the Eastern Kern County area. Ridgecrest is also easily accessible to the rest of southern California making it an ideal location for industry. Ridgecrest evolved into a growing and dynamic city during the 1950's and 1960's as a support community, vital to the mission of the Navy, by providing housing and services for Federal employees and contractors. Ridgecrest incorporated in 1963 and now provides shopping for over 40,000 people throughout the Indian Wells Valley.

China Lake Naval Weapons Center (NWC) and now the China Lake Naval Air Weapons Station (NAWS) is home to the Naval Air Warfare Center Weapons Division, which continues to be the major source of employment for Ridgecrest residents. The economic stability of Ridgecrest as a service community for NAWS has been essential to its successful emergence as a community in its own right. Ridgecrest friendly business attitude continues to serve as an attraction for businesses to relocate to Ridgecrest and the Indian Wells Valley.

As the only incorporated community in the Indian Wells Valley, Ridgecrest boasts a thriving economy and a robust population of just over 27,000 people. Ridgecrest acts as the shopping and business center for northeastern Kern County.

The City operates under the council-manager form of government with a mayor and four (4) council members elected at large for four year staggered terms. The City council appoints a City Manager, who is responsible for the daily administration of City operations. The City operates on a July – June fiscal year.

The City maintains physical copies of each utility bill for the current and past fiscal year on-site. Older invoices are stored off-site. The selected contractor will be provided access to these invoices electronically or in hard copy. The City of Ridgecrest spent approximately \$462,143 on electricity, \$59,576 on natural gas and \$87,758 on water in fiscal year 2013 (07/01/2012 – 06/30/2013). The City has access to, and will provide to the winning firm, a large percentage of its utility bills from prior years in electronic format. More detail on the available data may be communicated in a future addendum to this Request for Proposal. However, it is the winning firm's responsibility to conduct a comprehensive billing audit that may require the collection of other bills and information from the utilities serving the City directly.

However, it is the winning firm's responsibility to conduct a comprehensive billing audit that may require the collection of other bills and information for the utilities serving the City directly.

**III. Scope of Work**

- A. Contractor shall review and evaluate for errors the bills from all utility providers that the City pays for electricity, natural gas, and water including identifying facilities that should be added to or removed from the City's utility franchise agreements.
- B. Contractor shall compile historical data of no less than 36 months and conduct a comprehensive review of the billing information.
- C. Contractor shall compare usage and electric demand amounts to prior periods and other like locations to determine if the quantities billed are reasonable.
- D. At a minimum, Contractor shall identify errors related to:
  - 1. meter reading,
  - 2. rates not in accordance with City's contracts,
  - 3. charges billed for incorrect or non-existent equipment,
  - 4. meter malfunctions,
  - 5. incorrect meter type installed by the utility,
  - 6. clerical errors in bill computations,
  - 7. wrong factors applied, and
  - 8. incorrect tax charges.
- E. In addition to error detection, the Contractor shall analyze rates, looking for other solutions that will reduce on-going costs. Cost-savings recommendations are always subject to the review and approval of the City prior to implementation. Cost-saving recommendations may include, but not limited to:
  - 1. alternate rates and riders offered by existing suppliers that may result in lower costs,
  - 2. combination or splitting of meters for billing purposes,
  - 3. correction of power factor penalties, and
  - 4. negotiation of special contracts to eliminate punitive clauses.
- F. After approval by the City of particular recommendations, the Contractor shall act as a representative for the City to specified utility providers to obtain any available refunds for past overcharges and communicate to the companies providing utility services any corrections or execute changes necessary to realize future savings from incorrect billing of charges, rate, or tariff application.
- G. In addition to recovering refunds, Contractor will identify in the report possible cost saving recommendations that will result in reduced expenses for the City in the future, such as through the identification of alternate tariffs and the usage of other rates that may be available. The City is under no obligation to implement the recommendations of the Contractor. After approval by the City of particular recommendations, the Contractor shall assume full responsibility for the implementation of such, or shall provide assistance if the City prefers to implement them on its own.
- H. Contractor shall review current City process for intake, review, processing, and record keeping of utility bills and offer guidance on process improvements that could increase efficiency, ability of the staff to identify billing errors, reader friendliness of records, and best practices for data entry of utility bills. This shall include but is not limited to creating a Microsoft Excel template for inputting and tracking pertinent utility bill information for each utility reviewed. Contractor may also recommend software solutions for tracking utility bill information.

**III. Scope of Work (continued)**

- I. Contractor shall review current City processes, then, at the end of the review and evaluation period, submit a report detailing its findings. At a minimum, the report should identify:
  1. utility bills that have been reviewed and evaluated;
  2. refunds due to the City;
  3. current list of all accounts/meters/buildings/facilities covered under utility franchise agreements listing at a minimum, facility name, address, utility usage, and meter numbers servicing facility;
  4. correspondence from the utility providers agreeing to the amount of the refund due to the City, and the method to be used to refund the moneys owed the City;
  5. recommendations and guidance on industry best practices for utility bill intake, processing, data entry, and record keeping; and
  6. user-friendly guide to identify common utility billing errors – for each type of utility bill reviewed to be used by the City for staff training purposes.
- J. The City reserves the right to add categories of billing for review and evaluation by the vendor under the same terms and conditions as the original contract.

**IV. City Resources**

The City maintains physical copies of each utility bill for the current and past fiscal year on-site. Older invoices are stored off-site. The selected contractor will be provided access to these invoices electronically or in hard copy.

**V. Proposal Content Requirements**

All proposals must be submitted in the following format and include all of the required information. You may propose on any of the commodities. You are not obligated to audit all utilities.

**Introduction**

On a cover sheet to the proposal, provide the official name, principal contact person, person authorized to execute the contract, address, phone number, email address, and website of the proposer.

**Business Proposal**

1. Submitted in a sealed envelope, plainly marked **“Proposal for Utility Billing Audit”, with the date and time of bid proposal opening, and company name.**
2. Mailed or delivered as follows in a sufficient time to ensure receipt by the City Clerk on or before time and date specified above.
3. Mailing Address: City of Ridgecrest, Attn: City Clerk, 100 W. California Ave., Ridgecrest, CA 93555.
4. Hand Delivery: City of Ridgecrest, Attn: City Clerk, 100 W. California Ave., Ridgecrest, CA 93555.
5. **PROPOSALS NOT RECEIVED BY THE TIME AND DATE SPECIFIED WILL NOT BE OPENED OR CONSIDERED.**
6. **FORMAT FOR RESPONSES:** To be considered, contractors must submit a complete response to the Request for Proposal. To assure a uniform review process and obtain the maximum degree of comparability, each proposal shall include the following content and shall be presented in the following order:

Signature Page

Proposal as listed in Proposal Content Requirements Section V, above

Cost Information

Required Attachments

Each proposal must be submitted in one (1) CD and five (5) copies bound to:

City of Ridgecrest

Attn: Rachel Ford, City Clerk

100 W. California Ave.

Ridgecrest, CA 93555

Describe the qualifications and experience of key personnel that will provide these services including demonstrated knowledge and understanding of the types of services to be performed. Please describe the elements of your utility audit services that distinguish you from other firms, such as special expertise or value added services.

The Contractor shall provide a fee proposal as a percentage of verifiable savings. The Contractor shall provide detail as to how future savings based on rate adjustments, power factors etc. can be accounted for.

The Contractor shall provide at least three (3) references and/or current list of clients for references to demonstrate the company's experience and qualifications. Include all state of California (Local/State) government agencies, or departments, where you currently are or previously were under contract for your services.

**6. FORMAT FOR RESPONSES: (continued)**

Will any other organization be providing services under this engagement as a subcontractor? If yes:

- a. provide contact information for each subcontractor and include a description of each subcontractor's capabilities and experience;
- b. describe your oversight of the subcontractor and the controls in place to ensure that expected performance levels are maintained; and
- c. describe your level of responsibility for any subcontractor performance that is below expected performance levels.

Identify the project team that would conduct the utility audit for the City of Ridgecrest. Provide background information on each individual and an organization chart of your project team.

Detail any City resources that shall be necessary to successfully conduct this project including any required employee participation in the project. The City expects some staff involvement throughout the project term.

Provide a minimum of three references of current clients, complete with personal contacts, phone numbers, and addresses of companies for which your firm has performed similar services. Please include local government references, if any.

Provide a comprehensive work plan for the project that addresses each of the following criteria.

- a. Describe in detail how your firm would conduct a utility audit on behalf of the City of Ridgecrest.
- b. Describe the main technology(ies) used to conduct the audit.
- c. If any sampling is to be used in the project, please explain the sampling methodology to be used.
- d. Provide any performance metrics to which the Contractor commits.
- e. Provide a project timeline that illustrates major milestones and deliverables. Detail steps required prior to the commencement of the audit and the level of involvement of City staff before, during, and after the audit.
- f. List the standard reports to be provided to the City over the course of the project and their frequency.
- g. Provide a document similar to the report described in Section III, Item I, above, that summarizes audit findings from a similar local-government engagement.
- h. Provide a non-binding estimate of the magnitude of savings that the City can expect as a result of this utility audit and a justification for such estimate with reference to comparable accounts. In the estimate, differentiate between estimated refund amounts and estimated future reduced utility costs.
- i. Provide a timeline that demonstrates the ability to meet the schedule in Section VII. Project Schedule, below.



**VI. Proposal Evaluation**

A selection committee made up of representatives from the City Manager, City Clerk, and Finance Department Offices shall evaluate the proposals. The following factors shall be considered in the evaluation:

- A. Proposer's qualifications and experience (20 points)
- B. Proposed Methodology (20 points)
- C. Fee Proposal (50 points)
- D. References (10 points)

**VII. Project Schedule (subject to change as necessary)**

Release of Request for Proposal	October 21, 2013
Questions due to Rachelle McQuiston	November 1, 2013
Pre-proposal Conference	October 30, 2013
Proposals due to City Clerk	November 21, 2013
Review of Proposals	December 2 – 6, 2013

**VIII. General Conditions**

- A. **PUBLIC ENTITY CRIMES:** A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity.
- B. **BID/PROPOSAL COSTS:** The City shall not be liable for any costs incurred by Contractor in responding to this Request for Proposal.
- C. **CONFIDENTIAL INFORMATION:** Information and material received by the City in connection with all bidders/proposers shall be deemed to be public records subject to public inspection upon award or recommendation for award. If the Contractor believes any of the information contained in his/her response is exempt from the Open Records Act, the Contractor must, in his/her response, specifically identify the material which is deemed to be exempt and cite the legal authority for the exemption; otherwise, the City will treat all materials received as public records.
- D. **NO EXCLUSIVE CONTRACT/ADDITIONAL SERVICES:** Contractor agrees and understands that the contract shall not be construed as an exclusive arrangement and further agrees that the City may, at any time, secure similar or identical services at its sole option.
- E. **INDEPENDENT CONTRACTOR:** The Contractor is an independent contractor under this Agreement. Personal services provided by the Contractor shall be employees of the Contractor and subject to supervision by the Contractor, and not as officers, employee, or agents of the City.
- F. **ASSIGNMENT:** The successful Contractor shall not assign, transfer, convey, sublet, or otherwise dispose of the contract, or of any rights, title, interest therein, or his/her or its power to execute such contract to any person, company, or corporation without prior written consent of the City.
- G. **CANCELLATION:** The City may cancel this contract for convenience with a 60 day written notice to the other party. The City may terminate this contract immediately for cause based on non-performance.

**VIII. General Conditions (continued)**

- H. MULTIPLE PROPOSALS:** No Contractor will be allowed to submit more than one (1) offer. Any alternate proposals must be brought to the City Clerk's attention during the Pre-proposal Conference or submitted in writing at least five (5) days preceding the date for submission of proposals.
- I. LIABILITY PROVISIONS:** Where bidders/proposers are required to enter or go into the City of Ridgecrest property to take measurements or gather other information in order to prepare the proposal as requested by the City, the Contractor shall be liable for any injury, damage or loss occasioned by negligence of the Contractor, his agent, or any person the Contractor has designated to prepare the offer and shall indemnify and hold harmless the City of Ridgecrest from any liability arising therefrom. The contract document specifies the liability provisions required of the successful Contractor in order to be awarded a contract with the City of Ridgecrest.
- J. AWARD OF CONTRACT:** The contract, if awarded, will be awarded to the responsible Contractor whose proposal will be most advantageous to the City of Ridgecrest, price, and other factors considered. The Ridgecrest City Council will make the determination as to which proposal best serves the interest of the City of Ridgecrest.
- K. INSURANCE PROVISIONS:** The selected Contractor shall be required to procure and maintain for the duration of the contract insurance against claims and injuries to persons or damage to property which may arise from or in connection with the performance of work hereunder by the Contractor, his/her agents, representatives, employees, or subcontractors. The cost of such insurance shall be included in the Contractor's fee proposal.
- L. INDEMNIFICATION:** To the fullest extent permitted by law, Contractor agrees to and shall indemnify, defend, and hold harmless the City, its officers, employees, agents, boards and commissions from and against any and all claims, suits, judgments, costs, attorney's fees, damages, or other relief, including, but not limited to, workers' compensation claims, in any way resulting from or arising out of negligent actions or omissions of the Contractor in connection herewith, including negligence or omissions of employees or agents of the Contractor arising out of the performance of this Agreement. In the event of any action against the City, its officers, employees, agents, boards, or commissions, covered by the foregoing duty to indemnify, defend and hold harmless such action shall be defended by the legal counsel of the City's choosing. The provisions of this paragraph shall survive any expiration, completion and/or termination of this Agreement. No official, director, officer, agent, or employee of the City shall be charged personally or held contractually liable under any term or provision of this Agreement or because of their execution, approval or attempted execution of this Agreement. The provisions of this paragraph shall survive expiration, completion, and/or termination of this Agreement.
- M. NOTICE TO PROCEED:** The successful Contractor shall not commence work under this Request for Proposal until a written contract is awarded and a Notice to Proceed or Purchase Order is issued by the Finance Department. If the successful Contractor does commence any work or deliver items prior to receiving official notification, he does so at his own risk.
- N. WITHDRAWAL OF PROPOSAL:** Proposals may be withdrawn by submitting a written request to the City prior to the stated deadline for the receipt of proposals. Withdrawal of a proposal by any firm will not prejudice the right of the proponent to submit a new proposal, providing the latter is received timely as provided herein.

**V. Fee Proposal****CITY OF RIDGECREST, CA****RFP NO. 2014-00001****UTILITY BILLING AUDIT SERVICES**

I have read and understand the requirements of this proposal, RFP No. 2014-00001, and agree to provide the required services in accordance with this proposal, and all other attachments, exhibits, etc. I understand that the City will not be responsible for the reimbursement of any costs not specifically set forth in this proposal.

**Percent of verifiable first year savings to be paid to the Consultant \_\_\_\_\_%**

FIRM NAME: \_\_\_\_\_

PROPOSER: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY/STATE/ZIP: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

FAX NUMBER: \_\_\_\_\_

E-MAIL: \_\_\_\_\_

BUSINESS TAX CERTIFICATE/LICENSE NUMBER: \_\_\_\_\_

CITY/COUNTY/STATE: \_\_\_\_\_